Press Release, 28 March 2013

Full year 2012 unaudited financial results

The year 2012 marked the spectacular deleverage of ORCO Germany ("OG") and the completion of its financial restructuring. While the Company is set to be fully deleveraged of its corporate bonds, it also did refinance GSG at improved conditions and sold Sky Office, its last important development asset outside of Berlin. For 2013 and the following years OG shall grow again on its Berlin market by value creation through asset management and selective developments.

- Berlin GSG refinancing process finalized: in December 2012, Gewerbesiedlungs-Gesellschaft mbH (GSG), a subsidiary of OG, fully repaid its matured loan of EUR 281.9 Million. This was successfully achieved by a new loan contracted with a total commitment of EUR 269.6 Million granted by a consortium of five German banks led by DG HYP, including Coreal Credit Bank AG, Düsseldorfer Hypothekenbank AG, HSH Nordbank AG and Investitionsbank Berlin. The new loan has a term of five years and an interest rate that is 2 percentage points lower than the previous loan, bringing a total interest saving of EUR 6 Million a year. The agreement stipulates a mortgage collateralization of the loan, a minimum capital expenditure spending commitment as well as quarterly amortization, which will further reduce LTV.
- Debt reduction by equitizing OG bonds: 84.5% of OG bonds (EUR 109 Million including interest and redemption premium) were transferred to OPG in exchange for the issuance of 153 million OG shares. As a result, OPG now directly or indirectly holds 98% of OG compared to 92% as of December 2011. OG's equity increased by EUR 107 Million as of 30 September 2012. The remaining portion of EUR 20 Million of OG bonds owned by OPG will be equitized in OG shares in Q2 2013.
- Sky Office sold: the sale of this Düsseldorf tower to Allianz was closed in December 2012 for EUR 117 Million and quickly followed the failure in September to close a previous agreement. It generated supplementary impairments of EUR 13.2 Million in comparison with the June 2012 closing. The sale of Sky Office marks the finalization of OG's restructuring started in 2009 with its focus on the Berlin market and on cash generating properties.
- Significant increase in revenues: revenues amounted to EUR 181.0 Million in 2012, to be compared with EUR 63.8 Million at December 2011, as the development business line revenue - driven by the sale of Sky Office - reached a level of EUR 124.7 Million, against EUR 8.2 Million in the previous year. The Property Investments business line generated higher revenues at EUR 56.3 Million to be compared with EUR 55.5 Million (+1.4%) – despite some minor asset sales in both 2011 and 2012. GSG represented 93% of these revenues and reached all-time highs on its most important KPIs like occupancy rate and rent per SQM.

- Operating result impacted by the sale of Sky Office: operating result decreased to EUR 19.2 Million (-75% year on year) mainly driven by the above mentioned impairment caused by the sale of Sky Office.
- Net financial result remained stable but with different structure: interest expenses reduced from EUR 33.1 Million down to EUR 23.6 Million thanks to the bond restructuring, lower expenses on the GSG loan and the repayment of the Sky Office loan. On the other hand the expenses linked to the GSG refinancing and lower gains on derivatives led to a nearly stable net financial result.
- The Interest Coverage Ratio (ICR) of cash interests by Adjusted Ebitda amounts to 1.5.
- Loan To Value (LTV) improved significantly: With the bond restructuring, the repayment of the Sky Office loan, and the refinanced GSG loan at a lower level, liabilities decreased while values of the Berlin Investment Property portfolio increased. Therefore, the LTV of the company decreased significantly to 58.3% compared to 78.0% last year. After the equitization by OPG of the last tranche of bonds in mid-2013, the Global LTV will stand at 54.6% which is deemed a reasonable level for a Company that is producing strong cash flows.
- NAV nearly doubled but NAV p.s. reduced: With the finalization of the bond restructuring the total NAV increased from EUR 114 Million to EUR 213 Million. With the connected increase in number of shares the NAV per share reduced from EUR 2.33 to EUR 1.05 year on year.

Unaudited documents will be available tonight on :

http://www.orcogermany.de/en/Annual-Financial-Statements.html

- Full Year 2012 unaudited financial report
- Full Year 2012 unaudited management report

For more information, also refer to the Orco Property Group S.A. unaudited Management Report :

http://www.orcogroup.com/investors/financial-documentation/full-year-documents

Final Audited Financial Information will be made available over the coming days without any major expected differences.

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